

**आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़**  
**IN THE INCOME TAX APPELLATE TRIBUNAL, CHANDIGARH**  
**BENCH 'A' CHANDIGARH**

**BEFORE: SHRI VIKRAM SINGH YADAV, ACCOUNTANT MEMBER**  
**AND SHRI PARESH M. JOSHI, JUDICIAL MEMBER**

**आयकर अपील सं./ITA Nos.600, 601 & 602/CHD/2024**

निर्धारण वर्ष / A.Ys : 2013-14, 2014-15 & 2015-16

Kangra Valley Garden Hotels Pvt. Ltd., Chak Ban Rakh Tea Estate, Near Tharoat Village, VPO Charri, Tehsil-Shahpur, Distt. Kangra (HP).	बना म VS	The ITO, Dharamshala (HP).
स्थायी लेख सं./PAN /TAN No: AADCK8100B		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

निर्धारिती की ओर से/Assessee by : Shri Mayank Aggarwal, Advocate  
राजस्व की ओर से/Revenue by : Shri Rohit Sharma, CIT DR (Virtual)  
तारीख/Date of Hearing : 09.12.2024  
उद्घोषणा की तारीख/Date of Pronouncement : 18.12.2024

**HYBRID HEARING**

**आदेश/ORDER**

**PER PARESH M. JOSHI, JM**

**(ITA 600/CHD/2024 : A.Y. 2013-14)**

This is an appeal filed by the assessee under Section 253 of the Income Tax Act, 1961 (hereinafter referred to as Act) before this Tribunal as and by way of second appeal. The assessee is aggrieved by the order bearing No.ITBA/NFAC/S/250/2024-25/1064403518 (1) dated 26.04.2024 passed by Id. CIT(A) under Section 250 of the Act which is hereinafter referred to as the 'impugned order'. The

relevant assessment year is 2013-14 and the corresponding previous year period is from 01.04.2012 to 31.03.2013.

2.

**Factual Matrix**

2.1. That the assessee company e-filed its return of income for the assessment year 2013-14 on 30.10.2013 and declared total income as Rs. 'Nil'.

2.2 Thereafter the case was selected in scrutiny through CASS and the reason of selection as generated from the system was "Large Share Premium Received".

2.3 That notice under Section 143(2) was generated on 3<sup>rd</sup> September, 2014 by ITO Ward 5(1) Chandigarh and served upon the assessee through Mail fixing the case for hearing on 12 Sept.,2014.

2.4 That another notice under Section 143(2) was issued through Mail fixing the case for hearing on 22 Sept.,2014.

2.5 That yet another notice under Section 143(2) was issued through Mail fixing the case for 27 Sept.,2014.

2.6 That thereafter the case was transferred to ITO, Dharmshala, HP in pursuance to the order under Section 127(2) dated 02.03.2015.

2.7 A detailed questionnaire alongwith notice under Section 142(1) of the Act was issued on 14<sup>th</sup> August, 2015 fixing the case for hearing on 26<sup>th</sup> August, 2015.

2.8 That in response to the said notice and further proceedings Shri Sanjiv Rana, Advocate, AR of the assessee attended the proceedings from time to time and filed replies and evidences as called for.

2.9 That the books of account alongwith vouchers were produced and examined on test check basis.

2.10 That as per "Memorandum of Association" of the company, the main object of the assessee company is to carry on the business of hotels, motels, resorts, guest houses etc and to develop tourism in India and abroad During the year under consideration, the assessee company has claimed only preoperative expenses and does not have any revenue from the operations. As per Memorandum and Articles of Association, the following persons shall be directors of the company :-

- (i) Nirvan Singh Gill
- (ii) Vivan Singh Gill
- (iii) Karan Singh Brar

2.11 That the reason for selection of the case was "Large Share Premium Received". The assessee was asked to file the details of the share applicants, number of shares allotted, nominal value, premium value etc alongwith supporting evidence. Consequently, the assessee filed the requisite reply on 18 Jan 2116. The assessee in his reply dated 18 Jan 2016 has stated that the present directors of the company are :-

- (i) Nikhilendra Singh
- (ii) Amarinder Singh Dhaliwal
- (iii) Nicholas Timothy Allan
- (iv) Jonathan Mark Edward Boyer

During the year under consideration, the assessee company has received share application money of Rs. 17,39,27,429/- consisting of share capital of Rs 44,34,720/- (443472 shares were issued during the year) and share premium of Rs 16,94,92,709/- meaning thereby that shares were issued at a minimum premium of Rs 365 per share and ranging upto Rs 400 per share. The details are as given below :-

S. No.	Name & Address	PAN	No of shares	Date	Nominal Value (Rs)	Premium Value (Rs)	Total Amount (Rs)
01	Jonathan Mark Edward Boyer A3 Spyglass Glass, 96 Repulse Bay Road, H mg Kong, HK, HONGKONG	-	111095	02-Apr-2012	11,10,950/-	4,05,49,675/-	4,16,60,625/-
02	Nicholas T Allan Kentisbeare House, Cullompton, EX152BR, United Kingdom	-	55545	02-Apr-2012	5,55,450/-	2,02,73,925/-	2,08,29,375/-
03	Jonathan Mark Edward Boyer A3 Spyglass Glass, 96 Repulse Bay Road, H mg Kong, HK, HONGKONG	-	37714	25- Jul-2012	3,77,140/-	1,37,65,610/-	1,41,42,750/-
04	Nicholas T Allan Kentisbeare House, Cullompton, EX151 BR, United Kingdom	-	19365	25-Jul-2012	1,93,650/-	70,68,225/-	72,61,875/-
05	Jonathan Mark Edward Boyer A3 Spyglass Glass, 96 Repulse Bay Road, Hong Kong, HK, HONGKONG	-	146161	19-Mar-2013	14,61,610/-	5,84,20,551.7/-	5,98,82,161.70/-
06	Nicholas T Allan Kentisbeare House, Cullompton, EX152BR, U.K.	-	73592	19-Mar-2013	7,35,920/-	2,94,14,722.4/-	3,01,50,642.40/-
Total			443472		44,34,720/-	16,94,92,709.1/-	17,39,27,429.1/-

Information u/s 133(6) of the Income Tax Act, 1961 was called for from the above mentioned investors. Notice u/s 133(6) was issued to these persons requiring them to file the following details :-

- (i) Nature of business activities being carried out by you or by your company if you are representing any company and your business dealings with the above mentioned company.

(ii) State the face value of each share and also state that how much payment had been made during the F.Y. 2012-13 against these shares. Give the details of outstanding payment, if any, along with the documentary evidence.

(iii) Whether these shares have been allotted to you. If yes, give the date of allotment alongwith the details of the payment made and outstanding payment, if any.

(iv) Whether you have received any dividend or any other benefit out of such investment.

(v) Whether you also have made such investments in the State of H.P. or any other state in the North India. If yes, details of the same may also be provided.

(vi) Copy of the balance sheets where the above mentioned and such other investments have been reflected.

Reply was received from only one investor i.e. Nicholas T Allan, Kentisbeare House, Cullompton, EX152BR, United Kingdom which is reproduced below:-

In reference to the above referred letter, it is so state as under:

1. This is to confirm having made an investment in shares of Kangra Valley Garden Hotels Pvt. Ltd. The details of total allotment of shares in the said company is as under:

S. No.	No. of shares	Date of Allotment	Nominal value	Premium value	Total value
01.	55545	02-Apr-12	5,55,450/-	2,02,73,925/-	2,08,29,375/-
02.	19365	25-Jul-12	1,93,650/-	70,68,225/-	72,61,875/-
03.	73592	19-Mar-13	7,35,920/-	2,94,14,722/-	3,01,50,642/-
Total			14,85,020/-	5,67,56,872/-	5,82,41,892/-

2. In relation to the allotment made on 2<sup>nd</sup> April, 2012 the application money was paid during the financial year 2011-12.
3. Besides above company I had also made investment in other companies in India.
4. No dividend has been paid so far by the aforesaid company, as the construction work is still in progress and the commercial activities are yet to be commenced.

We hope your goodself will find the above details in order.

However, no reply to notice u/s 133(6) was Received in this office from the other investor i.e. Jonathan Mark ridward, A3, Spyglass Glass, 96 Repulse Bay Road, Hong Kong, HK, HONGKONG.

In view of the above, the business activities of the investors are not ascertainable. Even the existence of the persons except on papers, cannot be verified. Further, the non availability of the income particulars in general and source of the above mentioned investments in particular of both the investing persons indicates that their creditworthiness is also questionable. In these strange circumstances, the genuineness of share application money received from such persons is questionable. Usually persons having good business, proper identity, future prospects, having profit motives

invest such huge share capital leave aside share premium.

The company has received share application money at a very unreasonably high share premium. It is unusual that without any advertisement, any future prospects, profitability etc. persons from abroad like UK.& HONGKONG will invest in the assessee company. The whole transaction, even though tarried through banking channel, appears to be a make believe affair/transaction. The assessee has routed its own unexplained money in the guise of share application money.

The view is being taken on the basis of reply received from one investor in response to notice u/s 133(6) and no communication received from the other investor and finally by placing the reliance upon following cases :-

(i) Commissioner of Income-Tax vs. Nova Promoters & finlease (P) Limited. 342 ITR 169 (Del)

In this case, the Hon'ble Delhi High Court held as under:

"29. The findings of the Tribunal cannot be upheld as they are based on irrelevant material or have been entered by ignoring relevant, material. The finding that the share application monies have come through account payee cheques is, at best, neutral. The question required a thorough examination and not a superficial examination. If anything, in the light of the material gathered by the investigation wing about the modus operandi followed by the entry providers, the statements of Mukesh Gupta and Rahan Jassal the plea that the money was sent through banking channels loses all force. The Tribunal ought to have seen that the modus operandi involves receipt by the entry providers of equivalent amount of cash from the assessee.

The judgment of Hon'ble Supreme Court in the case of CIT Vs Lovely Exports reported in 2008 266 CTR P 59 is also considered which states that ;

"If the share application money is received by the assessee company from alleged bogus shareholders, whose names are given to the AO, then the department is free to proceed to reopen their individual assessments in accordance with law, but it cannot be regarded as undisclosed income of Assessee Company."

The present case is distinguishable on facts. In case of M/s Lovely Exports Limited, the Hon'ble Delhi High Court noted that the Assessing Officer has neither controverted nor disproved the material filed by the assessee. Again, the Hon'ble Delhi High Court, in the

case of Commissioner of Income-1 ax vs. Nova Promoters & Finlease (P) Limited. 342 ITR 169 (Del) has discussed the decision of the Hon'ble Supreme Court in the case of CIT vs. Lovely Exports P. Ltd. [2008] 216 CTR (SC) 195 viz-a-viz it's application in the case of a private Ltd. company and in cases where AO has through his investigations/enquiries established that the contributions of share capital is/are bogus/by nonexistent persons/entity of no means.

The decision of Lovely Exports is not going in favour of the assessee as the ingredients of a transaction covered u/s 68 were completely looked into.

(ii) Commissioner of Income Tax vs. Nr Portfolio Pvt. Ltd. on 22 November, 2013

"Whether or not onus is discharged depends upon facts of each case. It depends on whether the two parties are related or known to each; the manner or mode by which the parties approached each other, whether the transaction was entered into through written documentation to protect the investment, whether the investor professes and was an angel investor, the quantum of money, creditworthiness of the recipients, the object and purpose for which payments/investment was made etc. These facts are basically and primarily in knowledge of the assessee and it are difficult for revenue to prove

and establish the negative. On the question of credits worthiness and genuineness, it was highlighted that the money no doubt was received through banking channels, but did not reflect actual genuine business activity. The share subscribers did not have their won profit making apparatus and were not involved in business activity. They merely rotated money, which was coming through the bank accounts, The bank accounts, therefore, did not reflect their creditworthiness or even genuineness of the transaction. The beneficiaries, including the respondent assessee, did not give any share-dividend or interest to the said entry operators/subscribers. The profit motive normal in case of investment was entirely absent. In the present case, no profit or dividend was declared on the shares. Any person, who would invest money or give loan would certainly seek return or income as consideration. These facts are adverted to and as noticed below are true and correct. They are undoubtedly relevant and material facts for ascertaining creditworthiness and genuineness of the transactions."

(iii) Hon'ble Delhi High Court in CIT vs. Nipun Builders & Developers, 350ITR 407 (Del) held as under :-

"So far as the creditworthiness of the share subscribers is concerned, the contention of the assessee before us is that it was proved by the bank statements of those subscribers submitted before the Assessing Officer. The Assessing Officer has not referred to them in the assessment order but it is not in dispute that the copies of the bank statements were furnished before him. Even assuming that the bank statements were filed before the Assessing Officer, that by itself may not be sufficient to

prove that creditworthiness without any explanation for the deposits in the accounts and their source. The usual argument in all such cases, including the present case, is that it is not for the assessee to prove the source of source and origin of origin of the receipts. We are alive to the, difficulty that may be faced by an assessee to unimpeachably establish that creditworthiness of the share subscribers but at the same time we are of the opinion that men furnishing of the copies of the bank accounts of the subscribers is not sufficient to prove their creditworthiness. There must be, in our opinion, some positive evidence to show the nature and source of the resources of the share subscriber himself and, therefore, it is necessary for him to come before the Assessing Officer and confirm his sources from which he subscribed to the capital. In the present case, the assessee did not produce the principal officers of the companies who subscribed to the shares; it merely filed a letter at the "dak" counter of the Assessing Officer, stating that the communications sent by it to the share subscribers have not come back unserved. This is not compliance with the direction of the Assessing Officer who had issued notice to the assessee to produce the principal officers of the subscribing companies, as is well known, in the case of private limited companies, it cannot be denied that there is serious enough to establish its case, it ought to have produced the principal officers of sources from which the share subscription was made. That would also have taken care of the difficulty of the assessee in proving the creditworthiness of the subscriber companies. It was, therefore, in the assessee's own interest to have actively participated and cooperated in the assessment proceedings and complied with the direction of the Assessing Officer to produce the principle officers of the

subscribing companies. Instead, the assessee took an adamant, of we may use that expression, attitude and failed to comply with the direction of the Assessing Officer; not only that, it challenged the Assessing Officer's finding that the summons sent to the companies came back unserved with the remark "no such company", which was also supported by the report of the inspector who made a visit to the addresses. The assessee thus took a very extreme stand which was, in our opinion, not justified; certainly it did nothing worthwhile to discharge the onus to prove the creditworthiness of the subscribing companies."

Receipt of such a high premium by the assessee company which is not eligible to fetch such a huge share capital lease aside share premium is against the human probability and just contrary to very nature of human conduct as held by the Hon'ble Supreme Court in the case of CIT vs. Durga Parsad More, (1971) 82 ITR 540 (SC) in the said decision. The Hon'ble Supreme Court has categorically held that revenue is entitled to look into surrounding circumstances to find out the reality of recitals made in the documents in the case of Sumati Dayal vs. CIT 214 ITR 801 (SC), the Hon'ble Supreme Court has also held that the matter has to be considered in light of the human probabilities. "It is a story that does not accord with human probabilities".

(iv) In the case of McDowell and Co. Ltd. [1985] 154 ITR 148, the following observation was made by the Supreme Court (Chinnappa Reddy J., with other judges of the Court) at page 160, which reads as hereunder: "In our

view, - the proper way to construe a taxing statute, while considering a device to avoid tax, is not to ask whether the provisions should be construed literally or liberally, nor whether the transaction is not unreal and not prohibited by the statute, but whether the transaction is a device to avoid tax, and whether the transaction is such that the judicial process may accord its approval to it". Again page 171 (Ranganath Mishra, J with other Hon'ble Judges of the Court) has observed as follows: "Tax planning may be legitimate provided it is within the framework of law, Colourable devices cannot be part of tax planning and it is wrong to encourage or entertain the believe that it is obligation of every citizen to pay the taxes honestly without resorting to subterfuges".

(v) Another important decision of the Supreme Court in this regard is the case of Workmen or - Associated Rubber Industry Ltd. Vs. Associated Rubber Industry Ltd. [1986] 157 ITR 77 (SC), where the Court held thus: "It is duty of the court, in every case where ingenuity is expended to avoid taxing and welfare legislations, to get

behind the smoke screen and discover the true state of affairs. The Court is not to be satisfied with form and leave well alone the substance of a transaction.

(vi) In the case of Bombay Oil Industries Ltd. Vs. DCIT [2000] 82 ITD 626, the following observation was made by the ITAT Mumbai - C Bench, which reads as under: "Under the Income Tax Act, the income -tax authorities are empowered to go behind the apparent to find out the real and if a transaction, on the bases of the evidence and the surrounding circumstances of the case, appears to them to be non-genuine or a facade or a make believe affair, got up to evade the tax liability or if it appears that the series of steps taken to achieve the desired result is sham or collusive, they can ignore the transaction".

In light of the foregoing paras, the share premium money received by the assessee company from Jonathan Mark Edward Boyer, A3 Spyglass Glass, 96 Repulse Bay Road, Hong Kong, HK, HONGKONG and Nicholas T Allan,

Kentisbeare House, Cullompton, EX152BR, United Kingdom to the tune of Rs. 16,94,92,709/- (as per details given below) is treated as unexplained credits and is treated as income of the assessee company within the meaning of section 68 of the IT Act, 1961.

<i>Name &amp; Address</i>	<i>Share Premium</i>
<i>Jonathan Mark Edward Boyv r, A3 Spyglass Glass, 96 Repulse Bay Road, Hong Kong, HK, HONGKONG</i>	<i>Rs 11,27,35,837/-</i>
<i>Nicholas T Allan, Kentish are House, Cullompton, EX152BR, United Kingdom</i>	<i>Rs 5,67,56,872/-</i>
<i>Total</i>	<i>Rs 16,94,92,709/-</i>

2.12 Perusal of the Profit & Loss Account of the assessee company reveal that the company has received a dividend of Rs 6,88,365/- under the head "Other Income" of the Profit & Loss Account. Going by the main objects of the assessee company, the income by way of dividend is clearly income from other sources. Moreover, the assessee company has invested the money received in the shape of share application money into SBI Mutual Funds and received a dividend of Rs 6,88,365/- on the same. This clearly establish that the assessee has utilized the funds raised for business purpose into generating the

income in the form of dividend i.e. Income from Other Sources i or the assessee company.

Therefore, the dividend received by the assessee company at Rs 6,88,365/- is treated as income from other sources and taxed accordingly.

(Addition: Rs 6,88,365/-)

2.13 Total income of the assessee was computed as under :

	Returned income	: Rs Nil
Add :	As discussed above in para-3	: Rs 16,94,92,709/
	As discussed above in para-4	: Rs 6,88,365/-
	Total assessed income	: Rs.17,01,81,074/-

2.14 The aforesaid assessment order of ld. AO is dated 29.03.2016 passed under Section 143(3) of the Act.

3. That the assessee being aggrieved by the aforesaid assessment order of ld. AO dated 29.03.2016 prefers first appeal in terms of Section 246A of the Act before ld. CIT(A) who by passing the impugned order however, has dismissed their appeal. Consequently aforesaid additions stand sustained.

4. That the assessee being aggrieved by the impugned order has preferred second appeal before us and inter-alia

has raised following grounds against the impugned order which are as follows :

- “1. The order passed by the Learned Assessing Officer ("Ld. AO") is bad in law and facts of the case*
- 2. The Learned Commissioner of Income Tax (Appeals) ("Ld. CIT(A)/Ld.AO have erred in ignoring the submissions and details filed by the appellant*
- 3. The Ld CTT(A) has erred in not providing a personal hearing to the appellant before passing the order.*
- 4. The Ld CIT(A) / Ld. AO have erred in invoking the provisions of section 68 of the Income Tax Act, 1961 ("the Act") with respect to share premium amount received by the appellant from non-resident individuals and by treating the same as unexplained credits*
- 5. The Ld C1T(A) / Ld. AO have erred in holding that appellant received unreasonably high share premium amount without any future prospects and in ignoring the valuation report filed by the appellant*
- 6. The Ld. C1T(A) / Ld. AO have erred in making additions of share premium amount by ignoring that the same is not taxable in the hands of the appellant under section 56(2)(viib) read with section 5 and section 2(24)(xvi) of the Act.*
- 7. The Ld. CIT(A)/Ld. AO have erred in levying interest under 234B of the Act.*
- 8. The Ld. AO has erred in initiating penalty under section 271 (l)(c) of the Act.*
- 9. The above grounds are independent and without prejudice to one another.”*

5.

### **Record of Hearing**

5.1 The hearing in the matter took place before this Tribunal on 09.12.2024 when both the ld. AR and ld. DR were heard on their respective submissions. It was

contended by ld. AR for and on behalf of the assessee that the impugned order is illegal, bad in law and not proper and in violation of the principles of natural justice in as much as before passing the impugned order the ld. CIT(A) did not afford to them any opportunity of personal hearing, hence the impugned order be set aside and matter may kindly be remitted back to CIT(A) for denovo adjudication of their first appeal. The ld. AR has produced before us a chart which is giving share issuance details by the assessee company, which is as under :

Assessment Year	Name of Shareholder	No. of Shares	Month	Face Value	Premium	Face value amount	Premium Amount	Total Amount
2013-14	NICHOLAS TIMOTHY ALLAN	55,545	April 2012	10	365	5,55,450	2,02,73,925	2,08,29,375
		19,365	July 2012	10	365	1,93,650	70,68,225	72,61,875
		73,592	March 2013	10	399.7	7,35,920	2,94,14,722	3,01,50,642
	JONATHAN MARK EDWARD BOYER	1,11,095	April 2012	10	365	11,10,950	4,05,49,675	4,16,60,625
		37,714	July 2012	10	365	3,77,140	1,37,65,610	1,41,42,750
		1,46,161	March 2013	10	399.7	14,61,610	5,84,20,552	5,98,82,162
		<b>Total</b>	<b>4,43,472</b>				<b>44,34,720</b>	<b>16,94,92,709</b>
2014-15	NICHOLAS TIMOTHY ALLAN	48,816	November 2013	10	399.7	4,88,160	1,95,11,755	1,99,99,915
		24,052	March 2014	10	399.7	2,40,520	96,13,584	98,54,104
	JONATHAN MARK	97,632	November 2013	10	399.7	9,76,320	3,90,23,510	3,99,99,830

	EDWARD BOYER							
		24,408	March 2014	10	399.7	2,44,080	97,55,878	99,99,958
	<b>Total</b>	<b>1,94,908</b>				<b>19,49,080</b>	<b>7,79,04,728</b>	<b>7,98,53,808</b>
2015-16	NICHOLAS TIMOTHY ALLAN	45,330	August 2014	10	399.7	4,53,300	1,81,18,401	1,85,71,701
		2,874	August 2014	10	400	28,740	11,49,600	11,78,340
		16,191	December 2014	10	400	1,61,910	64,76,400	66,38,310
	JONATHAN MARK EDWARD BOYER	48,810	June 2014	10	399.7	4,88,100	1,95,09,357	1,99,97,457
		67,480	August 2014	10	399.7	6,74,800	2,69,71,756	2,76,46,556
		5,746	August 2014	10	400	57,460	22,98,400	23,55,860
		32,519	December 2014	10	400	3,25,190	1,30,07,600	1,33,32,790
	<b>Sub-total</b>	<b>2,18,950</b>		<b>70</b>	<b>2,799</b>	<b>21,89,500</b>	<b>8,75,31,514</b>	<b>8,97,21,014</b>
	Amrinder Singh	4,850		10	400	48,500	19,40,000	19,88,500
	Nikhilendra Singh	7,000		10	400	70,000	28,00,000	28,70,000
	<b>Grand Total</b>	<b>2,30,800</b>				<b>23,08,000</b>	<b>9,22,71,514</b>	<b>9,45,79,514</b>

Basis above, it was contended that for assessment year 2013-14, 2014-15, 2015-16, there are premium amount against issue of shares. The ld. DR, however, has gone by the order of lower authority and have left it to this Tribunal to pass a suitable order in accordance with law.

6. **Findings & Conclusions**

6.1 We have carefully perused the record of the case, have heard the arguments and submissions of both the parties i.e., ld. AR for and on behalf of the assessee and ld. DR for and on behalf of the Department and are of the view that the impugned order is indeed bad in law and in violation of the principles of natural justice as no opportunity was afforded to the assessee of personal hearing before dismissing their appeal.

6.2 In the premises set out hereinabove, we are of the considered view that a detailed explanation be provided by the assessee company to the first appellate authority in such a manner that merits of their explanation be considered by him on meritorious grounds. We, therefore, set aside the impugned order and remand the case back to ld. CIT(A) on denovo basis. We direct assessee to place before CIT(A) all material information, documents etc., so that CIT(A) can adjudge and adjudicate the first appeal on merits. Needless to state CIT(A) should pass a speaking and reasoned order. The assessee to cooperate in disposing off the first appeal and not to seek unnecessary adjournments and delay the due process of law.

6.3 In result, appeal of the assessee is allowed as and by way of remand on denovo basis.

6.4 Appeal allowed for statistical purposes.

**ITA 601 & 602/CHD/2024**

6.5 As the facts, issues and circumstances in ITA No. 601 & 602/CHD/2024 are similar to that of ITA No.600/CHD/2024, therefore, our findings given in ITA No.600/CHD/2024 would apply mutatis-mutandis to ITA No.601 & 602/CHD/2024 also. Accordingly, ITA No.601 & 602/CHD/2024 are also allowed for statistical purposes.

6.6 In result, all appeals of assessee stand allowed for statistical purposes.

Order pronounced on 18.12.2024.

**Sd/-**

**(VIKRAM SINGH YADAV)  
ACCOUNTANT MEMBER**

**Sd/-**

**( PARESH M. JOSHI)  
JUDICIAL MEMBER**

“Poonam”

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाइल/ Guard File

आदेशानुसार/ By order,  
सहायक पंजीकार/ Assistant Registrar